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FM AMEMBASSY KATHMANDU
TO RUEHC/SECSTATE WASHDC IMMEDIATE 3088
INFO RUEHB/AMEMBASSY BEIJING IMMEDIATE 4750
RUEHLM/AMEMBASSY COLOMBO IMMEDIATE 4983
RUEHKA/AMEMBASSY DHAKA IMMEDIATE 0121
RUEHIL/AMEMBASSY ISLAMABAD IMMEDIATE 2978
RUEHLO/AMEMBASSY LONDON IMMEDIATE 4386
RUEHNE/AMEMBASSY NEW DELHI IMMEDIATE 0198
RUEHKO/AMEMBASSY TOKYO IMMEDIATE 0987
RHEHN/NSC WASHDC IMMEDIATE
RHEFDIA/DIA WASHDC IMMEDIATE
RUEAIIA/CIA WASHDC IMMEDIATE
RHHMUNA/CDR USPACOM HONOLULU HI IMMEDIATE
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C O N F I D E N T I A L KATHMANDU 002463

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E.O. 12958: DECL: 09/11/2016

TAGS: [PGOV](#) [PTER](#) [NP](#)

SUBJECT: DPM OLI WORRIED, BUT WILLING TO STAND UP TO THE
MAOISTS

REF: KATHMANDU 2457

Classified By: AMBASSADOR JAMES F. MORIARTY, REASONS 1.4 (B/D).

¶1. (C) After listening to DPM/Foreign Minister Oli's pitch to the diplomatic community for support for Nepal's bid for a UNSC rotating seat on September 8 (reftel), I asked for a few minutes of Oli's time. In a subsequent one-on-one meeting, I told Oli that the GON was losing the country to the Maoists through inaction. The Maoists were terrorizing citizens throughout the entire country, including Kathmandu, and the GON seemed to be doing little in response. The GON was allowing the Maoists to create the impression that they were irreversibly marching toward control of the government. Yet, the GON had the military and security resources, as well as the international and domestic support, necessary to control the Maoists. But the longer the GON refused to exercise its muscle, the more it would atrophy.

Oli Worried

¶2. (C) Oli immediately agreed that the Maoists were attempting to bully their way into power. The GON had conceded too much, too quickly, in previous rounds of talks, and now the Maoists were surprised that the government was ending the unilateral concessions. PM Koirala understood that it would be suicidal to allow armed Maoists into an interim government and was not about to give ground on the issue. Oli worried, however, that the other two main leaders of the Seven Party Alliance, MK Nepal of Oli's UML and Sher Bahadur Deuba of the Nepali Congress (Democratic) were weak reeds to lean on: MK Nepal would say all the right things in one-on-one talks with Oli, and then say things to the press a few hours later that completely muddied the waters. As for Deuba, he was so concerned with partisan advantage that his support for any given position could shift at a moment's notice. Oli added that, if the GON were to stand up to the Maoists, PM Koirala would need to stay in relatively good health, and MK Nepal and Deuba had to make it clear that they would support Koirala if he moved against the insurgents.

Next on the List

¶3. (C) I expressed concern that the GON might be running out

of time to address the Maoists. I noted that, if they did not gain victory at the negotiating table, the Maoists would almost certainly start a people's movement at some point during the month of October. If that people's movement failed, the Maoists would likely turn to violence to intimidate the GON into giving them what they wanted. Oli concurred with my analysis and noted that the Maoists would likely put him near the top of their hit list if they decided to attempt to kidnap or assassinate a senior government official. Despite that, Oli said he would continue to urge the Prime Minister to take action and would continue to speak out against Maoist violations of their commitments.

Comment

¶4. (C) Oli was as good as his word: Before departing for the NAM meeting in Havana, he publicly condemned the Maoist refusal to separate from their weapons, accusing the insurgents of derailing the peace process. He also noted with respect to Maoist objections to the appointment of General Katawal as Chief of Army Staff that the insurgents had never sought GON approval for their personnel appointments. Oli's aggressiveness is all the more impressive, given that he understands that the more he speaks out, the more the Maoists are likely to target him in the future. A press report over the weekend in a pro-Maoist weekly listed Oli and Finance Minister Mahat at the top of the list for Maoist surveillance.

MORIARTY